

## Exhibit 2: Carlsbad Mitigation Fund

### Public Resources Code Section 30171.5

**30171.5.** (a) The amount of the mitigation fee for development on nonprime agricultural lands in the coastal zone in the City of Carlsbad that lie outside of the areas described in subdivision (f) of Section 30170 and subdivision (b) of Section **30171** shall be determined in the applicable segment of the local coastal program of the City of Carlsbad, but shall not be less than five thousand dollars (\$5,000), nor more than ten thousand dollars (\$10,000), per acre. All mitigation fees collected under this section shall be deposited in the State Coastal Conservancy Fund.

**(b) All mitigation fees collected pursuant to this section are hereby appropriated to, and shall be expended by, the State Coastal Conservancy in the following order of priority:**

- (1) Restoration of natural resources and wildlife habitat in Batiquitos Lagoon.**
- (2) Development of an interpretive center at Buena Vista Lagoon.**
- (3) Provision of access to public beaches in the City of Carlsbad.**
- (4) Any other project or activity benefiting or enhancing the use of natural resources, including open field cultivated floriculture, in the coastal zone in the City of Carlsbad that is provided for in the local coastal program of the City of Carlsbad.**

(c) The State Coastal Conservancy may establish a special account in the State Coastal Conservancy Fund and deposit mitigation fees collected pursuant to this section in the special account. Any interest accruing on that money in the special account shall be expended pursuant to subdivision (b).

(d) Not less than 50 percent of collected and bonded mitigation fees shall be expended for the purpose specified in paragraph (1) of subdivision (b).

(e) Other than to mitigate the agricultural conversion impacts for which they are collected, none of the mitigation fees collected pursuant to this section shall be used for elements of a project which cause that project to be in compliance with this division or to mitigate a project which would otherwise be inconsistent with this division. When reviewing a potential project for consistency with this subdivision, the State Coastal Conservancy shall consult with the commission.